

March 23, 2026

The Honorable Cindy F. Friedman, Chair
Special Joint Committee on Initiative Petitions
State House, Room 313
Boston, MA 02133

The Honorable Alice Hanlon Peisch, Chair
Special Joint Committee on Initiative Petitions
State House, Room 234
Boston, MA 02133

RE: Expert testimony on the petition: *An Act to restore a sensible marijuana policy (H.5002)*

Chair Friedman, Chair Peisch, and distinguished members of the Special Joint Committee on Initiative Petitions:

Thank you for the opportunity to submit written expert testimony relative to *H.5002* on behalf of [Massachusetts Budget and Policy Center](https://massbudget.org) (MassBudget) on the revenue impacts of cannabis legalization for the state, cities, and towns in Massachusetts. MassBudget is a 39-year-old non-partisan, nonprofit research and advocacy organization. We provide [rigorous research and policy analysis](#), along with [strategic advocacy](#), in partnership with grassroots organizations. MassBudget has produced extensive research and holds critical expertise in revenue and other public policy areas.

Massachusetts prohibited and criminalized the use of cannabis for over 75 years. During this time, policies gave more power to law enforcement agencies to arrest, prosecute, and incarcerate people on illegal drug related charges. These policies, colloquially known as “the war on drugs”, resulted in the mass incarceration, which disproportionately targeted Black and Latino people. Data from 2017 shows that just before recreational cannabis was decriminalized, 22 percent of the Commonwealth's population was Black and Latino; though Black and Latino people accounted for 57 percent of the state's prisoners, and 75 percent of those people were serving mandatory minimum sentences for drug offenses. Massachusetts voters decriminalized the possession of less than an ounce of marijuana in 2008 and in 2012 legalized medical marijuana. Then in 2016, voters legalized adult-use, recreational marijuana. As a result of cannabis legalization policies, Massachusetts has generated substantial revenue affecting the state and local budgets.

In September 2025, MassBudget released the “[Show Me the Money: Cannabis Revenue, Spending, and Equity in Massachusetts](#)” report detailing the impact of adult-use marijuana changes on state and local revenue. As of February 2026, total adult-use retail **sales** in Massachusetts reached over \$9 billion since the legalization of recreational marijuana in the Commonwealth.¹

As of September 2025, total adult-use retail sales have **generated nearly \$2 billion in state and local revenue**. State revenue from the legalized cannabis industry supports a wide variety of programs and services across the Commonwealth, including funding for:

- The Cannabis Control Commission (CCC), which implements and administers the medical and adult-use marijuana laws. The CCC also oversees the Social Equity Program (SEP), the Commonwealth’s primary vehicle for creating pathways into the regulated cannabis industry for individuals and communities disproportionately impacted by the “War on Drugs”.
- The Bureau of Substance Addiction Services (BSAS), which is responsible for: licensing substance use disorder treatment programs and counselors; funding and monitoring prevention, intervention, treatment, and recovery services; providing access to treatment for the uninsured; developing and implementing substance use disorder-related policies and programs; and tracking substance use disorder treatment trends in the state.
- The Community Empowerment and Reinvestment Program, which strengthens and invests in communities that have historically been - and continue to be - disproportionately impacted by the criminal justice system. These affected communities tend to have a high percentage of individuals whose incomes fall below 250 percent of the federal poverty level and have a large population of socially and economically disadvantaged and historically underrepresented groups.
- Student Services (SUCCESS) grants, which are awarded to community colleges to provide wrap-around services to low-income students, first-generation students, students with disabilities, LGBTQ-identifying students, and students of color. These grants aim to provide better educational outcomes in community colleges across the Commonwealth.

Massachusetts has been a national leader in implementing cannabis social equity programs to promote participation from communities disproportionately harmed by past marijuana prohibition and enforcement. The Cannabis Social Equity Trust Fund (CSE Trust Fund), established by the 2022 cannabis social equity bill, has distributed nearly \$28.9 million in grants to date. The CSE Trust Fund has completed two cycles, one in FY 2024 and one in FY 2025. The first grant cycle awarded up to \$50,000 in grant funds to address immediate needs for social equity cannabis businesses, like payroll, rent, professional services, and debt service. The second grant cycle provided grants ranging from \$13,000 to \$500,000 for immediate needs, as well as operational or capital support. The second round also provided grants to Social Equity Businesses (SEBs) looking to enter the cannabis industry. Fifty grants were awarded in the first grant cycle and 181 were awarded in the second grant cycle.

We are enclosing the “[Show Me the Money: Cannabis Revenue, Spending, and Equity in Massachusetts](#)” report that further discusses the revenue generated from legalizing adult-use marijuana for the state and cities and towns, where it has been invested, as well as the social equity components enacted in Massachusetts through the cannabis industry revenue.

Please do not hesitate to reach out with questions about the report or any other matter regarding cannabis industry revenue. Thank you for your time and consideration of our expert testimony.

Respectfully submitted,

Jessica Troe
Deputy Director of Research and Policy Analysis
Massachusetts Budget and Policy Center

End notes

¹ Cannabis Control Commission, Gross Sales Total Since Adult-Use Marijuana Retailers Opened, updated as of February 22, 2026, <https://masscannabiscontrol.com/open-data/sales-and-product-distribution/>